

Honolulu, Hawaii

APR 03 2009

RE: S.C.R. No. 45

S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.C.R. No. 45 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING A SUNRISE REVIEW OF PROFESSIONAL EMPLOYER ORGANIZATIONS,"

begs leave to report as follows:

The purpose of this measure is to request that the Auditor perform a sunrise analysis on professional employer organizations.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that professional employer organizations act as an outsourced human resource department for employers by providing personnel and payroll services and overseeing an employer's compliance with state and federal law, including benefits and workers' compensation issues. Your Committee finds that regulation of this industry will help to ensure that Hawaii's business community can continue to rely on professional employer organizations to provide high quality services. Hawaii is one of only fourteen states that does not currently regulate this industry. Your Committee notes that regulation and oversight of the professional employer organization industry has been requested by the industry itself, in order to maintain high standards and preserve the good business reputation of professional employment




organizations that meet their ethical and legal obligations to their clients.

Your Committee has amended this measure by inserting the number of the Senate Bill to which this measure refers.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 45, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 45, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,



ROSALYN H. BAKER, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SCR 45	Committee Referral: CPN	Date: 4/1/2009		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	✓			
IGE, David Y. (VC)	✓			
ESPERO, Will	✓			
GREEN, M.D., Josh				✓
IHARA, Jr., Les				✓
SAKAMOTO, Norman				✓
HEMMINGS, Fred	✓			
TOTAL	4			3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">David Y Ige</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes